

SENATE BILL 2529
By Haynes

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 7, Part 21, relative to the liability of sports agents for certain conduct involving student athletes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-7-2103, is amended by adding the following new subsection (b) and by relettering existing subsection (b) accordingly:

(b) In addition to the liability established by subsection (a), a sports agent, or any person acting for or on behalf of a sports agent, who knowingly offers, gives or loans anything of value to a student athlete, or any person acting for or on behalf of a student athlete, during such student athlete's period of eligibility for the purpose of inducing the student athlete to enter into an agreement, agent contract or professional sport services contract with such agent shall be liable for damages to such student athlete's institution as provided in Tennessee Code Annotated, Sections 49-7-2106 and 49-7-2107, regardless of whether the conduct constitutes a violation of a rule of the national collegiate athletic association. Each offer, gift or loan of anything of value in violation of this subsection shall constitute a separate violation.

SECTION 2. Tennessee Code Annotated, Section 49-7-2106, is amended by designating the existing language as subsection (a) and by adding the following new subsection (b):

(b) If conduct in violation of Tennessee Code Annotated, Section 49-7-2103(b), does not result in any of the damages authorized by subsection (a) of this section, the institution shall be entitled to liquidated damages in the amount of ten thousand dollars (\$10,000) per violation.

SECTION 3. Tennessee Code Annotated, Title 49, Chapter 7, Part 21, is amended by adding the following as a new section:

(a) It is an offense for a sports agent, or any person acting for or on behalf of a sports agent, to knowingly offer, give or loan anything of value to a student athlete, or any person acting for or on behalf of a student athlete, during such student athlete's period of eligibility for the purpose of inducing the student athlete to enter into an agreement, agent contract or professional sport services contract with such agent regardless of whether such conduct constitutes a violation of a rule of the national collegiate athletic association. Each offer, gift or loan of anything of value in violation of this subsection shall constitute a separate offense.

(b) A violation of this section is a Class A misdemeanor.

SECTION 4. This act shall take effect July 1, 1996, the public welfare requiring it.